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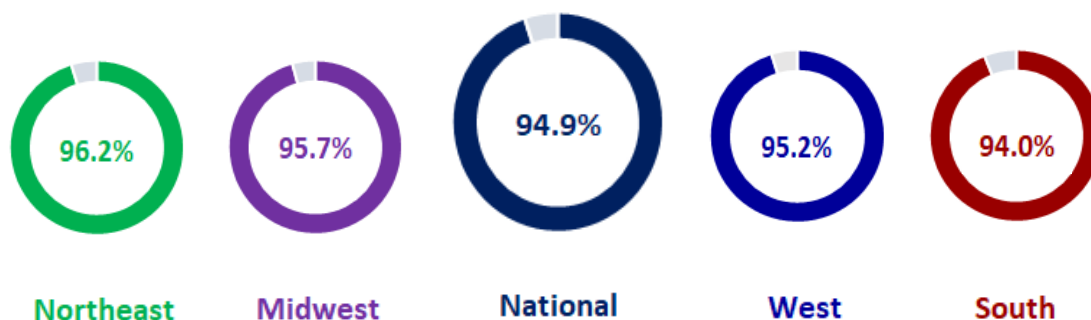
ortheast and Midwest markets lead Multifamily's 1st Quarter Performance

In 1Q26, multifamily occupancy increased by 0.1% QoQ to 94.9% as demand outpaced supply by approximately 18,000 units.¹ During the quarter, just under 93,300 units were absorbed while just over 75,200 units were delivered. Annual supply growth has also fallen significantly since peaking at nearly 590,000 units in late 2024 and only 367,000 units were delivered in the annual period ending in 1Q26, which is more consistent with the 10-year average for new supply. However, while deliveries have fallen over the last twelve months, supply has also exceeded demand by approximately 63,000 units and occupancy has fallen by .20%. Regionally, occupancy rates in 1Q26 were highest in the Northeast (96.2%), followed by the Midwest (95.7%), West (95.2%) and South (94.0%).

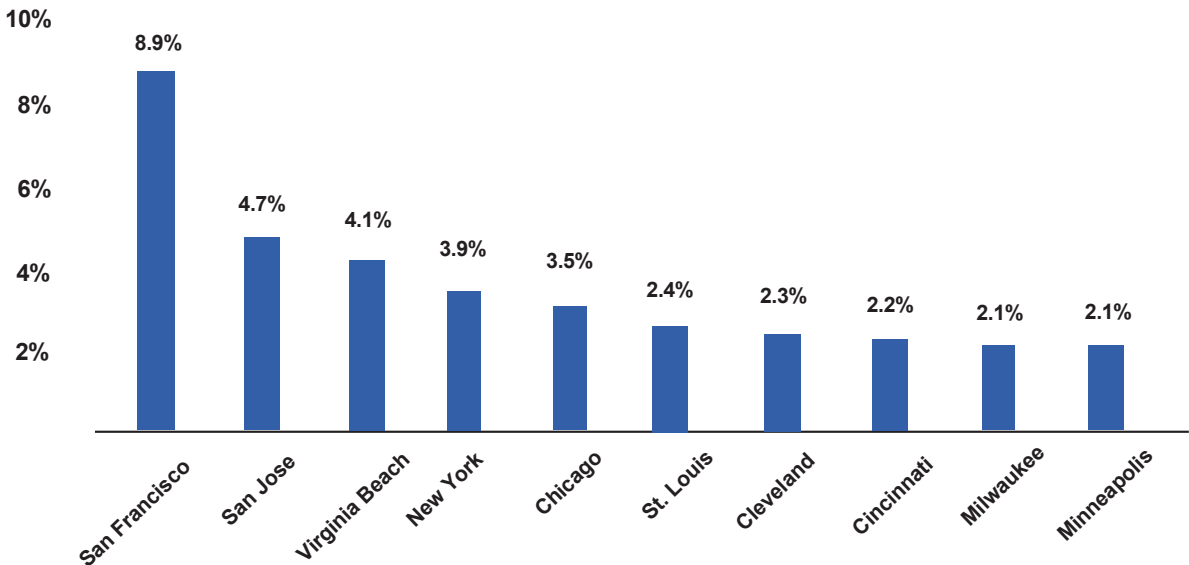
Nationwide, the average effective rent increased by 0.4% QoQ to \$1,864 in 1Q26 and similar to the YoY decline in occupancy, rent growth also declined by 0.5% YoY. Healthy demand and limited new supply growth helped rents grow by 1.9% in the Midwest and 0.8% in the Northeast YoY, while a supply overhang contributed to rents falling by 2.1% in the South and 0.4% in the West. As of 1Q26, markets across the country with the strongest rent growth include San Francisco (8.9%), San Jose (4.7%), Virginia Beach (4.1%), New York (3.9%) and Chicago (3.5%), while markets with the steepest rent declines include Austin (-7.4%), Denver (-6.4%), San Antonio (-5.4%), Tampa (-5.2%) and Phoenix (-4.8%). Nationally, asking rents for low to mid-range properties have demonstrated resilience and grew by 0.7% YoY, while asking rents for higher-end properties fell by 0.4% during the same period.²

Challenges in the multifamily sector include the prospect of prolonged elevated oil and gas prices stemming from the U.S.-Iran conflict. In this scenario, rent growth could slow if a larger share of renter income is used for gas and other energy needs.

Occupancy

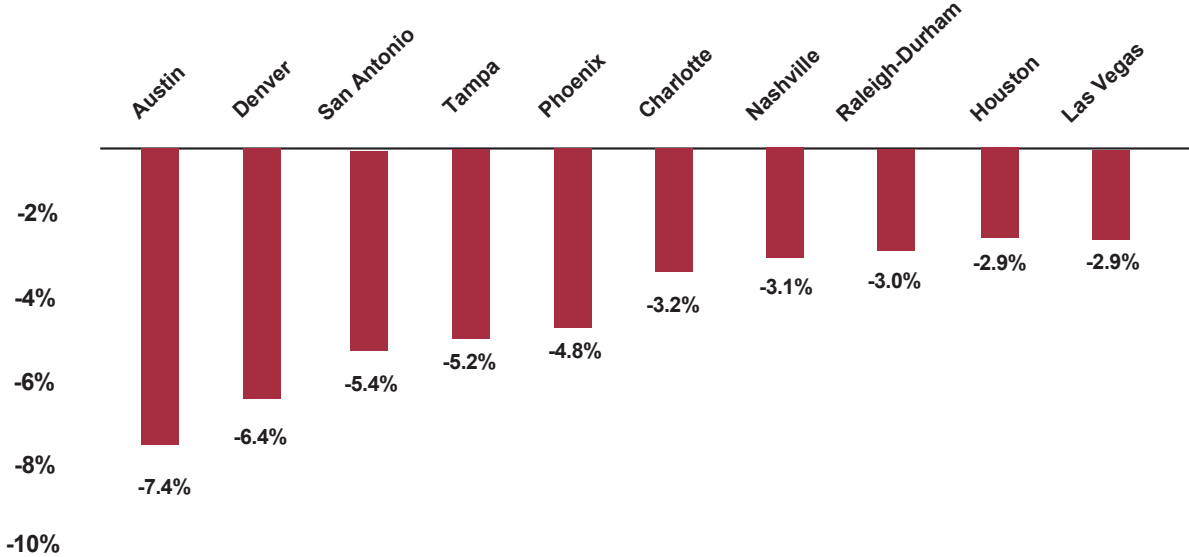


Markets with Leading YoY Rent Growth



Source: RealPage

Markets with the Largest YoY Rent Declines



Source: RealPage



Endnotes

1. O'Brien, Kim. (2026, April 6). *Apartment Demand Rebounds in 1st Quarter as Supply Volumes Continue to Slow*. RealPage. <https://www.realpage.com/analytics/1st-quarter-2026-data-update/>
2. Yardi Matrix. National Multifamily Report. March 2026

Disclosures

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